

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2903 – SB 3117

February 13, 2012

**SUMMARY OF AMENDMENT (012790):** Authorizes a 1,000-acre commercially owned marina, resort, and recreational facility bordered by a lake in Claiborne County to sell alcoholic beverages for on-premises consumption. Redefines a specific “premier type tourist resort” pursuant to Tenn. Code Ann. § 57-4-102 (26)(GGG)(v) as an establishment that has food available at all times with exceptions of closures for private groups or events, seasonal closures, vacations, general maintenance, and remodeling.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue - \$300/One-Time/ABC Fund  
\$2,000/Recurring/ABC Fund  
Not Significant/Recurring/General Fund  
Increase State Expenditures – Not Significant  
  
Increase Local Revenue - \$100/Recurring/Permissive  
Increase Local Expenditures – Not Significant

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Unchanged from the original fiscal note**

Assumptions applied to amendment:

- The location in Claiborne County as described in the proposed legislation is not located within the boundaries of any municipality. Therefore, no municipal tax applies.
- There is a \$300 initial application fee and a \$2,000 annual renewal fee to the state Alcohol Beverage Commission (ABC) Fund.
- No additional personnel or resources will be required by the ABC.
- Local privilege tax is \$100 annually. Any increase in local government expenditures for collecting local privilege taxes is estimated to be not significant.
- The entity will be assessed a state sales tax on alcoholic beverage sales, a 15 percent liquor-by-the-drink tax on each alcoholic beverage sold. These taxes will not have a significant state sales impact. Claiborne County does not impose a liquor-by-the-drink tax.

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- Redefining a specific characteristic of one privately owned resort and recreation facility will not result in additional premier type tourist resorts becoming licensed. Any associated fiscal impact will not be significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" and last name "Geise" clearly distinguishable, and "D." in the middle.

Lucian D. Geise, Executive Director

/jdb